

7000  
PERS-652  
15 Nov 00

From: Commander, Navy Personnel Command

Subj: NAVY IMPLEMENTATION GUIDANCE FOR UTILIZATION, SUPPORT AND  
ACCOUNTABILITY (USA) PRACTICE FOR MORALE, WELFARE AND  
RECREATION (MWR) NONAPPROPRIATED FUND INSTRUMENTALITIES

Ref: (a) CNPC ltr 7000 PERS-652 of 13 Nov 97

Encl: (1) ASD memo of 23 Jul 97  
(2) ASN(FM&C) ltr of 7 Nov 97  
(3) Supplemental Navy Guidance for USA Practice for MWR  
NAFIs (Nov 2000)  
(4) Supplemental RAMCAS accounting guidance  
(5) Frequently Asked USA Question/Audit Findings  
(6) Helpful Hints, A Guide to Appropriated Fund Support  
of Morale Welfare and Recreation Programs (Nov 2000)

1. Assistant Secretary of Defense established the Department of Defense (DoD) Morale Welfare and Recreation (MWR) Utilization, Support and Accountability (USA) Practice effective 1 October 1997 per enclosure (1), and Assistant Secretary of the Navy (Financial Management and Comptroller) implemented Navy procedures per enclosure (2). The USA Practice is an important and valuable tool for field activity commanding officers and MWR Program Managers to maximize availability of appropriated (APF) and nonappropriated funds (NAF) in support of the MWR program.

2. Original Navy MWR implementation guidance on the USA Practice, detailing policies and procedures in reference (a), is updated in enclosure (3). It provides guidance to commanders and commanding officers operating MWR programs and their staffs, including the base and regional comptrollers and MWR directors. Complete knowledge, understanding, and familiarity with these procedures will allow for more efficient, business-like MWR programs.

3. Supplemental Recreation and Mess Central Accounting System (RAMCAS) accounting guidance, enclosure (4), Frequently Asked USA Questions and Answers and Command Audit Findings, enclosure (5), and Helpful Hints Guide to APF support of MWR Programs, enclosure (6), provide additional information.

Subj: NAVY IMPLEMENTATION GUIDANCE FOR UTILIZATION, SUPPORT AND  
ACCOUNTABILITY (USA) PRACTICE FOR MORALE, WELFARE AND  
RECREATION (MWR) NONAPPROPRIATED FUND INSTRUMENTALITIES

4. PERS-65 points of contact are Linda Allen or Fred Vasquez  
for APF issues and Meredith Wilson or Kathy Wade for NAF issues  
at (DSN) 882-6592, (C) 901-874-6592.

T. R. MCFADDEN  
By direction

Distribution:

Echelon II commands with stations operating under the MWR  
Recreation and Mess Central Accounting System

Regional Commanders with oversight of MWR Programs

Station Commanding Officers with a centralized MWR fund  
operating under the Recreation and Mess Central Accounting  
System

MWR Directors

**SUPPLEMENTAL NAVY GUIDANCE FOR UTILIZATION, SUPPORT, AND  
ACCOUNTABILITY (USA) PRACTICE FOR MWR NAFIs**

The Utilization, Support, and Accountability Practice (USA) is designed to aid in the efficient and cost effective execution of Operations and Maintenance, Navy (O&M,N) appropriated funds (APF) in support of Navy Morale Welfare and Recreation (MWR) programs. It is imperative that all rules be followed carefully. Congress cancelled this practice (then known as APF to NAF reimbursement) in 1991 when the Office of the Secretary of Defense (OSD) could not provide assurances that sound procedures and controls were in place. Utilization of USA offset to expand the role of MWR beyond its normal mission or designed to circumvent existing regulations are not authorized. Basic policies and procedures outlined below will assist you in proper implementation of this program. (Note: Bachelor Quarters Nonappropriated Fund Instrumentalities (NAFIs) are not authorized USA offset under any circumstance.)

a. The Commanding Officer, Comptroller, and MWR Director must establish and sign a Memorandum of Agreement (MOA) prior to commencement of a new fiscal year. Forward a copy of the signed MOA to PERS-652, via your Echelon II command, annually via the NAF budget process. Any amendments to the MOA must be promptly prepared reflecting the change(s), numbered sequentially, and contain all three signatures, with copies forwarded to PERS-652.

b. Obligate APF funds via a signed DD Form 1149 prior to any NAF expenses being incurred. No "after the fact" obligations are authorized under any circumstances.

c. It is important to utilize USA for elements of expense that are the most defensible and supportable. Labor cost applications may be the most useful feature of the USA procedure. Guidance from DON is to fund and maintain civil service billets for programmatic Category A operations first, and to utilize USA offset for positions where adequate work year or FTE controls do not exist, positions with high turnover rates, or other sensitive positions where maintaining a NAF position is optimum.

d. The MWR USA Practice neither increases or decreases authorized appropriated fund support. If elected for use, USA merely changes the process associated with the execution of the appropriated funds for the authorized use.

Enclosure (3)

e. USA offset may not be used to circumvent APF policy. To assist you in determining the appropriate application of this process, ask yourself the following question: "Is this an APF authorized expense?" If the answer is, "No," USA offset is not authorized. Helpful Hints, A Guide to APF Support of MWR Programs (Nov. 2000 Edition) provides an excellent explanation of instances where APF is authorized.

f. The APF "bona fide" need rule dictates that purchases must be for real need expenses during the current fiscal year. Consequently, this same rule applies to USA offset expenses. The USA Practice cannot be used to extend the availability of APF dollars into the next fiscal year.

g. During the last two months of the fiscal year, APF funds provided through the USA Practice are limited to no more than 20 percent of either the total annual APF obligation supporting the NAFI or the budgeted USA Practice support, whichever is less, to ensure timely obligation of funds. This relates back to the APF requirement to have 80 percent obligation of authorized funds by 30 July each fiscal year.

h. The Principal Deputy Assistant Secretary of the Navy (Financial Management and Comptroller) recently provided a policy clarification of the use of APFs for the purchase of trophies and awards for installation-level MWR fitness and intramural sports and athletic activities for active duty personnel. Subject to the following conditions, the use of APFs to support the acquisition of MWR fitness and intramural sports and activities-related trophies and awards, including APF support through use of the USA Practice, is authorized. Athletic/sports competitions must be officially established and announced and be of a continuing nature. Cash awards are not permitted and the trophies or awards are not to be items of a personal nature or have independent intrinsic value to the recipients.

i. To effectively manage cash flow considerations, MWR Directors should work with the base comptroller to ensure USA billings are processed promptly on a monthly basis. The Defense Finance Accounting System (DFAS) is under mandate to pay all bills through electronic fund transfer and is presently working to register all MWR NAFIs in this system. Note: All installations do not currently have access to this system.

Enclosure (3)

j. In order to effect an Electronic Fund Transfer (EFT), DFAS may contact the MWR office directly regarding payment of the USA funds. MWR should give DFAS the local depository account information from its local bank deposit slips. Under no circumstance should MWR give DFAS, or anyone else, a local or central blank NAF check. By getting the funds deposited locally MWR will have better visibility into what has been deposited.

Enclosure (3)

# **Navy Moral Welfare and Recreation Nonappropriated Fund Detailed Accounting Guidance**

## **DEPARTMENT OF DEFENSE (DOD) MORALE WELFARE AND RECREATION (MWR) UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA)**

The Department of Defense (DoD) Morale Welfare and Recreation (MWR) Utilization, Support, and Accountability (USA) Practice is designed to facilitate the effective use of funds for the MWR program. A valuable tool in providing flexibility to both the field activity Commanding Officer and the MWR in maximizing Appropriated Funds (APF) and Nonappropriated Funds (NAF) fund support to the MWR program. USA will help MWR accomplish its mission of providing customer focused MWR services while also saving taxpayers dollars. USA can only be used for expenses that are authorized through a Memorandum of Agreement (MOA) to be funded with appropriated funds.

A MOA may be established between the MWR Director, the Base Comptroller, and the Commanding officer to outline the MWR services that are eligible for APF support and that will be funded using the USA Practice. The Base Comptroller shall prepare a DD Form 2406, Enclosure (7), Miscellaneous Obligation Document to obligate APF support prior to the MWR incurring expenses, based on the MOA.

APF provided to the MWR Nonappropriated Fund Instrumentality (NAFI) through USA Practice will not exceed the actual cost of providing the service. For example, APF support provided for equipment purchases, as identified in the MOA, will be limited to the actual cost of the equipment and will not include any overhead or administrative costs.

The USA Practice may be used to fund NAF labor costs of performing functions normally assigned to an authorized APF position within the MWR program if the position is converted to a NAF position. Positions funded through the USA Practice shall be identified on official manning documents or approved under existing personnel standards.

Qualifying expenses will be accounted for through the Base Level Automated System (BLAS) and Recreation And Mess Central Accounting System (RAMCAS) accounting systems using the (600-700) expense account series. The accounting tech will made an offsetting entry to the qualifying contra expense designated for USA APF, (XX-750/759-XX) see accounts listed below. A receivable will be established to accumulate the USA APF authorized support, see account (00-136-00).

MWR Directors shall prepare a SF 1034, Enclosure (8) and ensure that billing information is provided to the Comptroller at the end of each month to document expenses funded through the USA Practice, and shall ensure that only MWR operating expenses eligible for APF support and only those already actually incurred are included.

Enclosure (4)

BLAS and RAMCAS will provide reporting by expense element by Activity. Please refer to reports titled MWR USA APF offset report and MWR USA APF Support Expense. These reports are available in the BLAS system as charges are incurred and posted to the USA APF contra expense accounts.

The following accounts have been created in RAMCAS and BLAS to account for USA APF support. The qualifying expenses will be paid through the normal expense account series (600-700) with an offset to a contra expense to relieve any affect on the P&L.

**NOTE:** Use the proper activity and department coding with account 750 thru 759 to ensure correct matching of USA APF funds to related expense.

**00-136-00 ACCOUNT RECEIVABLE APFSUP**

Overview:

Debit this account as qualifying USA APF expenses are incurred and offset to the corresponding contra expense, pending the receipt of funds.

Type:	Asset account, debits increase, credits decrease
Normal balance:	Debit balance
When Debited:	On a GJV or RSWC as qualifying USA APF expenses are incurred and paid, and offset to the USA APF account series (750 - 759).
When Credited:	On a DARS to record the USA APF Support received. On a GJV for corrections, with offset to account series (750 - 759).

Example:	Record the use of funds on the RSWC:
	Debit: Acct series (600-700)    Credit: 00-101-00
	Debit: 00-136-00                      Credit: XX-750/759-XX

	Record the receipt of funds:
	Debit: 00-101-00                      Credit: 00-136-00

Sub records:	MOA, RSWC, Values accumulated in account series (750-759)
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**NOTE:** All qualifying expenses are offset to the contra account within the same month. There should never be a credit balance in the receivable. The debit balance in the receivable should represent the accumulated qualifying expenses in which we expect to receive USA APF Support. All amounts should be satisfied prior to FY end.

### Example of RSWC for USA APF entries

## REMITTANCE STATEMENT WITH CHECK

*Morale Welfare & Recreation*  
*Anywhere Street*  
*Anytown, USA*

SOURCE	FUND NO.	DATE			CHECK NUMBER
10	10XXX	Mo.	Day	Yr.	XXXXXXXX

NMPC 41 12/89

INVOICE NUMBER AND DATE	PURCHASE ORDER NO.	ACCOUNT NO.	AMOUNT
#1234567 99/99/99	98-XXX	XX-721-XX	300.00
<i>Establish AR for USA APF</i>	<i>MOA</i>	<i>00-136-00</i>	<i>300.00</i>
<i>Offset for USA APF expense</i>	<i>MOA</i>	<i>XX-758-XX</i>	<i>(300.00)</i>
<b>TOTAL</b>			<b>\$ 300.00</b>

### EXAMPLE FOR ILLUSTRATION ONLY

Enclosure (4)



### **XX-750-XX USA APF OFFSET MINOR PROPERTY**

#### **Overview:**

Use as a contra expense account to the qualifying minor property expenditures that were recorded in accounts 686. Qualifying capital spending is flexible with this plan. Minor property up to 100K will be expensed through these accounts. These items need to be added to the asset listing in BLAS as a non depreciable APF asset, 'A' for tracking purposes only.

Type:	Contra expense account, credits increase, debits decrease
Normal balance:	Credit balance
When Debited:	On a GJV for corrections/adjustments, with offset to (00-136-00).
When Credited:	On a GJV or RSWC as qualifying USA APF expenses are incurred, and recorded to account (00-136-00).

Example:	USA APF minor property will initially be expensed through XX-686-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-750-XX. The entry on the RSWC is,
	Debit: XX-686-XX                      Credit: 00-101-00
	Debit: 00-136-00                      Credit: XX-750-XX

Sub Records:	MOA, PO's, and invoices, RSWC
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**NOTE:** USA APF funded MWR fixed assets are not recorded on the MWR general ledger. The assets become APF not a NAF expenditure. For management control purposes MWR shall maintain the USA APF funded fixed assets on their fixed asset sub-records as APF items and continue with annual physical inventories of the APF funded assets.

### **XX-751-XX USA APF OFFSET LABOR COST**

#### **Overview:**

Use as a contra expense account to the qualifying salaries and benefits that were recorded in account series (601 - 635).

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF Labor cost will initially be expensed through accounts 601-635. At the point of payment for qualifying expenses, make an additional entry to offset expenses to the contra expense account XX-751-XX. The entry is,  
Debit: 601-635                      Credit: payroll accounts  
Debit: 00-136-00                  Credit: XX-751-XX

Sub records: MOA, Payroll records

### **XX-752-XX USA APF OFFSET SUPPLIES**

#### **Overview:**

Use as a contra expense account to the qualifying supplies that were recorded in account 701.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF supplies will initially be expensed through XX-701-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-752-XX. The entry is,  
Debit: XX-701-XX                  Credit: 00-101-00  
Debit: 00-136-00                  Credit: XX-752-XX

Sub records: MOA, PO's, invoices, RSWC

### **XX-753-XX USA APF OFFSET CONTRACTUAL**

#### **Overview:**

Use as a contra expense account to the qualifying contractual expenses recorded in account 783.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF contractual costs will initially be expensed through XX-783-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-753-XX. The entry is,  
Debit: XX-783-XX                      Credit: 00-101-00  
Debit: 00-136-00                      Credit: XX-753-XX

Sub records: MOA, PO's, contracts, signed agreements, RSWC

### **XX-754-XX USA APF OFFSET MAINTENANCE**

#### **Overview**

Use as a contra expense account to the qualifying maintenance expenses recorded in accounts 681, 683, & 685.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF maintenance costs will initially be expensed through accounts 681, 683 & 685. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-754-XX. The entry is,  
Debit: 681, 683, or 685                      Credit: 00-101-00  
Debit: 00-136-00                      Credit: XX-754-XX

Sub records: MOA, PO's, invoices, RSWC

### **XX-755-XX USA APF OFFSET OTHER OPERATIONAL COSTS**

#### Overview:

Use as a contra expense account to the qualifying operational costs not specified by unique account numbers. These expenses would be recorded in accounts 703, 741, 782, 793, & 799.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF other operational costs will initially be expensed through accounts 703, 741, 782, 793, & 799. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-755-XX. The entry is,  
Debit: 703, 741, 782, 793, or 799      Credit: 00-101-00  
Debit: 00-136-00                              Credit: XX-755-XX

Sub records: MOA, PO's, invoice, RSWC

### **XX-756-XX USA APF OFFSET UTILITIES & RENTS**

#### Overview:

Use as a contra expense account to the qualifying utilities and rent expenses recorded in accounts 641 & 642.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF utilities & rents will initially be expensed through accounts 641 & 642. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-756-XX. The entry is,  
Debit: 641 or 642                              Credit: 00-101-00  
Debit: 00-136-00                              Credit: XX-756-XX

Sub records: MOA, Invoices for services received, RSWC

### **XX-757-XX USA APF OFFSET COMMUNICATIONS**

#### **Overview:**

Use as a contra expense account to the qualifying communications expenses recorded in account 661.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF communications costs will initially be expensed through account XX-661-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-757-XX. The entry is,  
Debit: XX-661-XX                      Credit: 00-101-00  
Debit: 00-136-00                      Credit: XX-757-XX

Sub records: MOA, Invoices for services received, RSWC

### **XX-758-XX USA APF OFFSET TRAVEL & PER DIEM**

#### **Overview:**

Use as a contra expense account to the qualifying travel & per diem expenses recorded in account 721.

Type: Contra expense account, credits increase, debits decrease  
Normal balance: Credit balance  
When Debited: On a GJV for corrections/adjustments, with offset to (00-136-00).  
When Credited: On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF travel & per diem costs will initially be expensed through account XX-721-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-758-XX. The entry is,  
Debit: XX-721-XX                      Credit: 00-101-00  
Debit: 00-136-00                      Credit: XX-758-XX

Sub records: MOA, Travel authorizations and vouchers, RSWC

## **XX-759-XX USA APF OFFSET TRANSPORTATION**

### Overview:

Use as a contra expense account to the qualifying transportation expenses recorded in account 731.

Type:	Contra expense account, credits increase, debits decrease
Normal balance:	Credit balance
When Debited:	On a GJV for corrections/adjustments, with offset to (00-136-00).
When Credited:	On a GJV or RSWC as qualifying USA APF expenses are incurred, and offset to account (00-136-00)

Example: USA APF transportation costs will initially be expensed through account XX-731-XX. At the point of payment for qualifying expenses, make an additional entry to offset to the contra expense account XX-759-XX. The entry is,

Debit: XX-731-XX	Credit: 00-101-00
Debit: 00-136-00	Credit: XX-759-XX

Sub records:	MOA, Bill of lading, freight bills, RSWC
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## UTILIZATION, SUPPORT, AND ACCOUNTABILITY (USA) PRACTICE

SECNAV (FM&C) signed the Utilization, Support, and Accountability (USA) policy on 7 November 1997.

The USA program has procedures in place designed to aid in a more business like; efficient and cost effective strategy for the execution of Operations and Maintenance appropriated funds (APF) in support of Moral Welfare and Recreation (MWR) programs. A similar program (then known as Appropriated Fund (APF) to Nonappropriated Fund (NAF) reimbursement) was cancelled by congress, in 1991, when OSD was unable to provide assurance that sound procedures and internal controls were in place. Therefore, it is vital that all rules and regulations are strictly adhered to. Implementation of practices which expand the role of MWR beyond its normal mission or which are designed to circumvent existing regulations are prohibited.

Each field MWR program director is required to have a Memorandum of Agreement (MOA) between the local MWR department, local Comptroller and Commanding Officer signed annually. A signed copy of the MOA is due to Pers-65, via your Echelon II command, NLT 15 December for the current fiscal year. It is important to utilize USA procedures for those elements of expense that are the most defensible, supportable, and authorized within existing guidelines, application of these procedures in support of labor costs is one of the most advantageous feature of the USA program.

Note: Currently, Utilization of the USA program for Bachelor Quarters NAFI operations are not authorized.



### Frequently Asked USA Question And Audit Findings

1. What are some of the major points I should include in the MOA and amendments?

A. Include the following items in your MOA:

Name of Station/Region

Fund Number or Numbers

Signatures of Commanding Officer, Comptroller, and MWR Director

Dates signed

Enclosure (5)

Annual total for MW and CD  
Annual combined total of MW and CD  
Point of Contact and phone number

B. Amendments to the MOA should have the above information as well as:

Amendment, number, and date.

Amendments should state, increase (MW or CD) by (dollar amount), the new yearly total for (MW or CD) will be (dollar amount).

Signature(s)

Amendments should be faxed to Navy Personnel Command (PERS-652) as soon as possible.

2. My USA MOA is awaiting the Commanding Officers' signature, however, I have a DD1149 from the Comptroller obligating the first quarter money. Can I go ahead and begin incurring the NAF expense for USA offset based on the date the DD1149 was signed?

A. Yes, While the MOA is a critical document, the DD1149 is the document that actually obligates the APF funds. However, you should not exceed the MOA dollar limit.

3. The MOA is for \$150K and I have identified \$200K in authorized expenses. The Comptroller says the funds are available. What can I do?

A. The original MOA can be modified as many time as needed during the year, as long as APF funds are available. (Be sure to obtain all applicable signatures.) The key to the process is to have the Comptroller obligate the funds on a DD1149, prior to incurring the NAF expense.

4. I am debiting and crediting accounts on my financial statement as I incur expenses. Should I be billing the Comptroller monthly?

A. Yes, definitely. The flow of cash is very important. As we all know, DFAS has a backlog and may be as long as three to four months to process the offset. It is important to track the flow of cash to your account. If you discover that the funds are not flowing in a timely manner, please follow up with a call to your specific DFAS processing center.

Enclosure (5)



5. The USA guidelines indicate that USA Practice procedures will be a special interest item during MWR field reviews. What kind of documentation should be kept in these files?

A. A copy of the MOA, copy of the DD1149 obligating document, copies of the NAF purchase orders and invoices, labor documents, and a copy of the SF1034 or NC2277 billing document. If possible, copies of the DFAS check or if EFT is used, copies of the bank statement or deposit slip. This would complete the obligating, billing and payment of the USA offset cycle.

6. How much of my USA funds should I set aside for the end of the year?

A. During the last two months of the fiscal year, APF funds provided through the USA Practice are limited to no more than 20 percent of either the total annual APF obligation supporting the NAFI or the budgeted USA Practice support, which ever is less.

7. The Bachelor Quarters want to hire a NAF desk clerk. They have appropriated funds for the position. Can MWR hire the position and USA offset it using the BQ funding lines?

A. No, the Bachelor Quarters are not authorized USA offset at this time. APF funded positions under the USA Practice shall perform MWR mission related functions only.

8. MWR does the accounting and purchasing for the Combined Bachelor Quarters. Can I USA the procurement salary for this?

A. No. Bachelor Quarters operations are not authorized to use USA procedures.

9. The Single Sailor Program wants to utilize the USA process to purchase entertainment tickets as part of their program. Is this authorized under USA Practices?

A. No. The use of the USA Practice can not be used to circumvent APF policy. To assist you in determining the legality of this, or any similar situation, ask yourself the following question. Are you authorized to purchase entertainment tickets through the appropriated fund channels, e.g. Navy Supply system?

Enclosure (5)

10. The Single Sailor Program Manager is NAF and is going to training. Is the travel authorized USA offset?

A. Yes, any NAF position that would be authorized to be funded with APF is authorized to travel on NAF travel orders and be offset with USA funds. Any USA travel should be budgeted for in the USA MOA.

11. MWR is running a shuttle service on base for Single Sailors. Is USA funding authorized?

A. Yes, if the shuttle service is used to transport Single Sailors from the barracks to recreational areas, YES. If the shuttle transports active duty to and from work and the galley or other non-MWR destinations, NO. In the latter case, it should be a Public Works service contract with MWR to provide the service and not included under USA.

12. We have a Procurement Supervisor that is attending training for a warrant authority. Is it authorized to USA offset the travel and training expenses?

A. Yes, if the warrant authority is for APF contracting or if the Procurement Supervisor spends at least 51 percent or more of his/her time overseeing and procuring authorized USA purchases.

13. We have two NAF positions that work specifically in the recycling program. Are these positions authorized to be funded through USA?

A. No, recycling programs are not an MWR program and not authorized to be funded with NAF expenses. Therefore the positions would not be authorized USA offset. The positions should be funded with the proceeds from the program. If MWR has been contracted to provide recycling services, it would be through a contract with the Comptroller or Public Works and not part of the USA program.

14. We have a NAF employee that manages the recycling program. His salary is paid with the proceeds from the recycling program. The base has recently obtained environmental funds that will be used as part of the recycling program. Is this authorized?

A. Environmental funds would be provided to the base Public Works Department or Comptroller Office. The Recycling Manager would just be managing the funds or overseeing the contract. This is authorized so long as the funds are not in any way a part of the USA program.

15. After I bill for all of the authorized labor in Category "A" and "B", I have little money left to spend on supplies. Is that ok?

A. Yes, authorized labor costs are the most defensible and useful way to use the USA Practice then supplies and equipment for day to day operations would be secondary.

16. I have a purchase order for 100 pair of skis that are to be purchased in September. They will not be received until December, subsequently not in the current fiscal year. Is it authorized to use current year USA money for those?

A. No. The use of USA offset with APF must be used for a bona fide need in the current fiscal year. The USA Practice cannot be used to extend the availability of APF for use into another fiscal year. Additionally, skis or any other property are not authorized to be purchased with APF funds if they are revenue generators.

17. Each year, we purchase several pieces of fitness equipment for the fitness center. The purchasing agents spend several hours researching the equipment and best prices. Can I charge an administrative fee above and beyond the price of the equipment for this?

A. No. Only the actual cost of the equipment is authorized. Additional mark up costs are not authorized. Actually, you are probably asking for USA offset of the procurement clerks salary as they are purchasing APF equipment. Read FAQ 24.

18. We have purchased a van for the Child Development Center with NAF funds. Is the van authorized to be offset with USA funds?

A. No. Utilization of O&M,N APF funding for vehicles is only authorized in support of leased vehicles. Purchase of vans with O&M,N APF dollars is strictly prohibited, except

within the Executive Control and Essential Command Supervision (ECECS) program managed by NAVFAC and funded with OPN funds, NAVFAC P-300. Additionally, there are established guidelines limiting the number of vehicles authorized on each installation. These vehicle allowances are maintained by your local base transportation office. Using USA for this purchase would be circumventing the APF procurement process and in violation of the regulations.

19. The APF contract for Sports Officials is expiring next month and we would like to do a NAF contract for officials. Would the NAF contract be authorized USA offset?

A. Yes. This would be an authorized Category "A" expense. This requirement should be documented in your USA MOA or by an amendment.

20. We have two MWR APF employees that are taking other non-MWR positions on the base. Can we hire the vacant positions as NAF?

A. Yes, if a civil service position becomes vacant, the MOA may be modified to make those labor dollars available to the NAF. However, if the position is filled with a NAF position, then it will not be eligible to be converted back to an APF position.

21. I have APF funds that are available to offset labor in the Category "B" programs; however, we are at the authorized 65 percent level. Can I offset more than 65 percent in Category "B" programs?

A. Yes, if you have already met your authorized Category "A" funding level of 100 percent and do not have any additional Category "A" APF authorized expenses, it would be authorized to offset Category "B" expenses at the higher level.

22. When I bill for labor offset, should I bill for accrued annual and sick leave or should I bill for it when the leave is used?

A. Labor expenses represent actual hours worked or leave taken. Labor expense includes regular pay and any annual or sick leave taken and paid during the USA billing period. In addition to billing for leave taken, if you bill for annual

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and sick leave that has accrued only, you would be offsetting the leave expense twice. It is simpler to think about the labor expense in terms of total hours paid versus types of hours worked, i.e. regular, annual, sick, holiday, etc.

23. Is it authorized for MWR to be an all NAF workforce?

A. Yes, it is authorized. However, the risk in having an all NAF workforce is that the NAF billets being offset through the USA Practice are no longer reported on the OP-34 and Civilian Personnel Budget Exhibits. Consequently, if Navy were to lose the USA Practice program, the APF labor dollars would probably not be available to support that part of the MWR workforce authorized APF support.

24. What should I use as an authorized percentage of time to USA an accounting/procurement salary performing USA tasks?

A. If a NAF employee is actually working 51 percent or more of his/her time or supervising the work of another employee performing APF functions, the NAF position is authorized full USA offset. If a NAF employee is working less than 51 percent of his/her time performing APF functions, that percentage of the labor time spent in these APF issues is authorized partial USA offset. Defensible calculation of that percentage to support the partial USA offset must be documented.

25. Is it authorized to offset holiday pay with USA funds?

A. Yes, if the employee is in an authorized USA billet.

26. I have USA receivables on my books that are over the six-month aging cycle. Should I be writing off the receivable?

A. No, please do not. When DFAS is behind in their processing and it may take more than six months to receive your payments. Please coordinate with your local comptroller and contact the servicing DFAS office as to the status of the payments.

27. Should I establish an account receivable for the total amount of my MOA (\$1.5M) at the beginning of the year?

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A. NO! The MOA is only a planning document and may not be fully funded. USA should be booked to your financial statements as it is billed to the comptroller on the monthly SF1034.

28. Is it appropriate to use all of the available USA funding in Category "A"?

A. Yes, if that is all of the funds available, it is proper to use it for authorized expenses in Category "A" activities. Category "A" is mission essential programs and should always be funded first.

29. Is the use of the USA Practice authorized at OCONUS and Remote and Isolated bases in Category "C" activities?

A. Category "C" activities only receive limited APF support. However, activities located in extremely remote and isolated areas, as approved by Congress, may be provided APF support similar to that authorized for Category "B" activities. If your installation is specifically designated as remote and isolated, APF is authorized. However, prior to using USA in Category "C" activities, Category "A" must be funded at 100 percent of authorized expenses and Category "B" at 65 percent. When this criteria has been met, you can then request a waiver for the use of USA in Category "C" activities. OCONUS activities, not designated as remote and isolated, are only authorized APF in specific instances as outlined by Financial Management Policy Manual (NAVSO P-1000) Paragraph 075521.3.

30. The Public Works Department has said that MWR has to pay for cleaning high amounts of iron from the water used on the Golf Course. Is that an authorized expense of USA?

A. Each base has access to environmental funds to pay for such clean up. USA funds should not be used for this. If environmental funds are not available, NAF is the proper funding source as the golf course is a revenue generator and not authorized APF support.

31. What is the policy for using USA funding at profitable CDC Centers?

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A. CDC Centers are a Category "B" activity and their profitability has no bearing on authorized APF funding or utilizing USA offset. The NAF profit that they may generate, is part of the MWR fund that supports other Category "B" activities, such as Youth, and Child Care Home that may not have enough APF funding.

32. We are a Decentralized Activity. Are we authorized to use USA funding?

A. No, only MWR NAFI's who are designated an MWR Fund and report their financial information through BLAS/RAMCAS accounting system are authorized to use the USA Practice.

33. Are Non-Special Interest items MW and CD funds authorized to be reprogrammed for use in the USA program?

A. Yes, if the Comptroller has available funds to reprogram, it certainly would be allowed. However, before expending NAF expenses for USA offset, please ensure the Comptroller has obligated the funds on a DD1149 and your USA MOA has been modified.

34. When I buy equipment that I will USA offset, what are the accounts used and the dollar limit?

A. Use the NAF account XX-686-XX for the expense and then the XX-750-XX contra account to show the offset. Acquisition cost of the equipment is limited to \$15,000.00 per item.

35. We have a Command Picnic every year. Are the expenses authorized USA offset funding?

A. No, Command Picnics are not a mission of MWR. Remember the USA guidance; "Do not use NAF purchasing to circumvent the APF procurement rules."

36. Every now and then I have authorized expenses over my monthly USA MOA total. May I bill for these authorized expenses the following month?

A. No. If your MOA has a monthly limit total then modify your MOA. We suggest that your MOA be established on an annual basis based on monthly targets. The DD1149 Obligation Document is the limiting factor on NAF expenses billed.

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37. Our MWR Director is making a Permanent Change of Station (PCS) move. He is also changing from APF to NAF. Are his moving expenses authorized USA offset?

A. Generally, the MWR Director position is authorized APF support. If the new NAF position is authorized APF support, PCS expenses can be paid utilizing the USA procedures. If the gaining activity is paying for the move, USA is authorized. However, if the losing activity is paying for the move, expenses would be paid with APF dollars as the position is APF.

38. Is USA authorized for awards and trophies?

A. Yes. The Principal Deputy Assistant Secretary of the Navy (Financial Management and Comptroller) recently provided a policy clarification of the use of APFs for the purchase of trophies and awards for installation-level MWR fitness and intramural sports and athletic activities for active duty personnel. USA Practice MOAs may include a line item to fund MWR Fitness and Sports Awards. Cash awards are not authorized and the trophies or awards are not to be items of a personal nature or have independent intrinsic value to the recipients.

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**PERS-65 POLICY GUIDANCE FOR UTILIZATION, SUPPORT AND  
ACCOUNTABILITY (USA) PRACTICE FOR MORALE, WELFARE AND RECREATION  
(MWR) NONAPPROPRIATED FUND INSTRUMENTALITIES FOR THE PURPOSE OF  
PURCHASING FIXED ASSETS AND MINOR CONSTRUCTION**

During past years, PERS-65 has limited equipment purchases for authorized Cat A and B program elements through the USA practice to \$15,000.00 per item. As of 15 November, an increase in funding level is authorized to \$25,000.00 per item. However, we would advise you that labor and supplies should first be executed through USA, since labor particularly, is the most defensible and traceable.

PERS-65 policy guidance for local MWR departments purchasing equipment through the USA practice is authorized up to \$25,000.00 for each item purchased. This increase does not authorize the purchase of Vehicles with USA offset. Purchasing vehicles with O&M,N dollars is prohibited by law. Vehicle funding is managed by NAVFAC with OPN funds, reference NAVFAC P-300.

If a construction warrant is held by the local MWR department, minor construction policy is authorized up to \$10,000.00 per project. Construction accomplished and equipment purchased through the NAF procurement policy, should be recorded to account 00-686-00, with the contra expense account recorded to 00-750-00. This policy is a conservative one from the normal DOD \$50,000.00 level and will be reviewed at the end of next year.

PERS-65 points of contact are Fred Vasquez, DSN 882-6611, COMM 901-874-6611, E-mail [fred.vasquez@persnet.navy.mil](mailto:fred.vasquez@persnet.navy.mil), or Kathy Wade DSN 882-6614, COMM 901-874-6614, E-mail [kathy.wade@persnet.navy.mil](mailto:kathy.wade@persnet.navy.mil)

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## APPROPRIATED FUND SUPPORT

### HELPFUL HINTS FOR MORALE, WELFARE, AND RECREATION PROGRAMS

#### 1.1. INTRODUCTION

This guide is provided to assist commanding officers, comptrollers, command evaluation staff, local internal audit, audit boards, and MWR managers evaluate appropriated fund support for specific elements within an MWR operation. The contents do not supersede official Navy policy, but provide additional guidance and interpretation.

#### 1.2. POLICY REFERENCES

Authority to use appropriated funds in MWR is contained in Department of Navy Financial Management Policy Manual (formerly NAVCOMPT, Volume 7) and DOD Instruction 1015.10 dated 3 Nov 95. All management and financial data reporting shall comply with DOD Instructions 1015.1, and 1330.18 and DoD 7000.14.R.

#### 1.3. USE OF GUIDEBOOK

In order to determine whether an expense element is authorized appropriated fund support, identify that element within those listed in the left column titled "Element of Expense" in pages 8 through 17 of this booklet. Then identify the appropriate MWR Category (i.e. General & Administrative [G&A], A, B, C, C[OCONUS] or C[Remote & Isolated]), in which the expense element is to be incurred. If the corresponding block states "Y" (Yes), use of appropriated funds for this expense element is authorized; if the corresponding block states "N" (No), use of appropriated funds for this expense element is NOT authorized. *In some cases a footnote may be referenced beside the "Y" or "N". These footnotes may represent exceptions to funding authorizations and should be reviewed carefully.*

If a specific expense element is not listed, use the closest match or contact the Navy Personnel Command for assistance. Point of Contact is Linda Allen (Pers-652) at 901-874-6592 or (DSN) 882-6592 **Linda.Allen@persnet.navy.mil** or Fred Vasquez (Pers-652) at 901-874-6592 or (DSN) 882-6592. **Fred.Vasquez@persnet.navy.mil** or Kathy Wade (Pers-652) at

901-874- 6614 (DSN) 882-6614 **Kathy.Wade@persnet.navy.mil** or Meredith Wilson (Pers-652) at 901-874-6598 (DNS) 882-6598 **Meredith.Wilson@persnet.navy.mil**.

At some installations funding for personnel (in existing billets) may conflict with authorizations in this guidebook (i.e. APF personnel in billets not authorized APF funding). It is not the intent of this guidebook to recommend converting on-board personnel to NAF. However, it is suggested that when the position becomes vacant, the APF billet be realigned (to an APF authorized position), and a NAF position be established.

Appendix A of this guidebook contains details for use of appropriated funds for MILCON projects. Appendix B contains some of the most commonly asked questions concerning appropriated funds support and authorized usage of APF funds.

#### **1.4. MILCON**

The funding profile for MILCON is identified separately under Appendix A.

*Note: While MILCON is authorized for all Category A facilities and some Category B facilities (see Appendix A) there are some circumstances regardless of MWR Category when appropriated funds may be used for all MWR construction repair or renovation. They are: (a) when related to the establishment, activation, or expansion of a military installation or relocation of facilities for convenience of the government; (b) to correct life safety deficiencies; to maintain structural integrity; code compliance and adherence to ADA Handicap accessibility and, (c) with prior approval from NAVCOMPT, for replacement of facilities denied by country-to-country agreements and (d) for restoration of facilities destroyed by acts of God, fire, and terrorism.*

#### **1.5. DEFINITIONS**

**1.5.a. Executive Control and Essential Command Supervision (ECECS).** Relates solely to the Commanding Officer's management team to provide oversight for all installation programs and is not a cost of MWR. To exercise this responsibility, commanding officers must provide guidance and direction to MWR activities under their purview in the

same manner as for all non-MWR activities under their cognizance. Essential control and command supervision consists of general management functions and includes any assistance in carrying out these functions provided by the Commanding Officer's staff. Specifically excluded from this definition is the direct operation of MWR programs and activities (e.g., functions performed by the MWR program director and staff). The MWR Director and staff are excluded from this definition and are addressed under personnel.

*NOTE: In the past, the definition of ECECS has been often misinterpreted. This definition is provided by NAVCOMPT, and clearly emphasizes that ECECS applies to the Commanding Officer's management team, those positions below the Command level.*

**1.5.b. Base Common Support.** Common support consists of services and related goods normally supplied throughout the installation as a mission function (i.e. the common support provided by the installation command). Common support services are those that protect the health and safety of all participants, employees, resources, and property on base and provide support that is of a more physical nature e.g., facility and facility systems maintenance and repair, structural integrity of facilities, fire and security maintenance, handicap accessibility, snow removal, sewage and trash removal. Additional common support services include such services as HRO, comptroller, legal, and background check services. These expenses are not considered MWR expenses and are not reported on the OP-34.

**1.5.c. Personnel Performing Multi-Functions.** In some situations an MWR employees may perform some functions that are authorized to be performed by a Civil Service employee and some functions that are not authorized to be performed by a civil servant. For purposes of determining authorization for APF support, the percentage of time the employee spends performing "APF-authorized" functions should be greater than 50 percent to be considered appropriate for APF funding.

**1.5.d. Outdoor Recreation and Equipment Checkout.** Some recreation facilities maintain inventories of equipment that cross all three MWR funding categories (A, B, and C). Care must be taken to ensure that costs are assessed fairly for APF versus NAF functions. Overall management, safety and control of mixed category facilities and operations is

authorized APF support. Recreation equipment falls into Category A, B, and C as follows:

Category A - ATHLETIC EQUIPMENT CHECKOUT

This category includes: checkout of basketballs, volleyballs, weight belts, weights, clothing, shoes, picnic bags containing softball equipment, horseshoes, etc. Equipment checkout can be operated out of the gym, or any other MWR facility. Charges for athletic gear checkout are not encouraged however, minimal user fees may be charged for to recover all or part of any NAF costs associated with providing this service.

Category B - OUTDOOR RECREATION PROGRAM EQUIPMENT CHECKOUT

This category includes: Tents, coolers, sleeping bags, fishing equipment, skis, snowboards, kayaks, jon boat, day sailor boats, bicycles, in-line skates, and other minor equipment that support outdoor recreation skills development programs. This equipment checkout can be operated out of an outdoor recreation center, equipment checkout center, or any other MWR facility. A user fee can be charged to recover all or part of any NAF costs associated with providing this service.

Category C - EQUIPMENT RENTAL

This category includes: Seasonal costumes, lawn mowers, roto tillers, chainsaws, jet skis, ski boats, snowmobiles, Go Karts, large boats and camping trailers designed for overnight issue. Includes all resale operations that sell specialized outdoor recreation equipment, clothing, gear and supplies. This equipment rental program is intended to be a revenue-generating program, similar to commercial businesses. A rental charge must be assessed for use of this equipment to cover NAF operating, maintenance and replacement costs.

**1.5.e. Multi-Purpose MWR Facilities.** Many buildings and facilities in which MWR programs are provided are used for purposes in addition to MWR functions, such as swimming pools and theaters used for training. In these cases, amounts charged to MWR should reflect costs for that portion of the expense that is attributable to MWR. Alternately, in cases where MWR facilities contain multiple activities that fall across the funding categories (A, B, and C), the portion of the facility or the portion of time the facility is used for Category A and B activities should be identified. Only those portions of the facility or time the facility is used for Category A and B activities are

authorized APF support for operations, including utility expenses (except at overseas and designated remote and isolated locations).

**1.5.f. Regional or Local Business/Support Services Offices.**

Regional Business/Support Services Offices have responsibilities that may include the performance of NAF accounting services, NAF/APF procurement, NAF personnel, NAF payroll, marketing, administrative services, etc. These regional offices may perform services for one or more MWR Funds or consolidated MWR Departments. Authorization for funding of personnel, equipment, supplies, etc., for these offices follows that outlined in the Chart of Authorization for Use of Appropriated Funds (Section 3.1). In general, personnel in local offices must spend a minimum of 51 percent of their time either performing or supervising the performance of APF functions to qualify for APF funding.

**1.5.g. Remote and Isolated (R & I).** Category C MWR activities at designated remote and isolated commands or installations are authorized Category B level support. The column identified at Category C (R & I) has been included to specifically address only remote and isolated activities entitlements. The following naval activities are Congressionally and OSD approved Remote and Isolated installations as of June 2000.

While remote and isolated designation authorizes Category C MWR activities APF support, since appropriated funds are provided to meet DoD and DON funding metrics, funding must be used to support Category A activities at 100% of authorized expenses and Category B activities at a minimum of 65% of authorized expenses prior to expending APF funds in any Category C activities.

NAVSUPPACT BAHRAIN  
NAVSUPPFAC DIEGO GARCIA  
NAS KEY WEST FL  
COMFLEACT YOKOSUKA JA  
NAF ATSUGI JA  
CHJUSMAG MANILA RP  
NAVSUPPACT SOUDA BAY GR  
NAVORDTESTU CAPE CANAVERAL FL  
COMFLEACT CHINHAE KOR  
COMFLEACT SASEBO JA  
NAF KADENA JA (formerly COMFLEACT OKINAWA)  
NAS SIGONELLA IT  
NAVSUPPACT NAPLES IT  
NAVSUPPACT LAMADDALENA IT  
NAVSUPPACT GAETA IT (formerly part of NAVSUPPACT NAPLES IT)

NAVSTA ROTA SP  
 NAS KEFLAVIK IC  
 NAVSECGRUACT SABANA SECA RQ  
 NAVSECGRUACT WINTER HARBOR ME  
 NAS WHIDBEY ISLAND WA (OSD approved until September 2001)  
 NAVOLF SAN NICHOLAS ISLAND CA (site under Navy Region  
     Southwest)  
 NAS FALLON NV (site under Navy Region Southwest)  
 NAS BARBERS POINT HI (site under Commander Navy Region HI)  
 COMNAVMARIANAS GU  
 NAVSTA GUANTANAMO BAY CU  
 JMF ST MAWGAN UK (formerly NAVWEPSFAC ST MAWGAN UK)  
 NAVSECGRUACT SUGAR GROVE WV  
 NAVREGCONTGEN SINGAPORE  
 NAF SAN CLEMENTE ISLAND CA (site under Navy Region  
     Southwest)  
 NAF EL CENTRO CA (site under Navy Region Southwest)  
 PACMISRANFAC BARKING SANDS HI

In the event an R & I activity becomes part of a Region, care must be taken to maintain detailed records to support only the specific activity designated as R & I is afforded the benefits set forth by the designation.

In order to be granted official designation as a remote and isolated activity the installation must meet the criteria set forth in DODI 1015.10. To gain the designation, a command is required to submit a formal letter via the chain of command to Navy Personnel Command (Pers 65). Pers-65 will forward (if appropriate) to the Assistant Secretary of the Navy, Manpower and Reserve Affairs (ASN[M&RA]). After ASN(M&RA) approval the package will be submitted for final approval from the Office of Secretary of Defense (OSD).

**1.5.h. UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA).** The Assistant Secretary of the Navy (Financial Management and Comptroller) issued the Navy Implementation Guidance for the USA Practice for Morale, Welfare and Recreation (MWR) Nonappropriated Fund Instrumentalities USA policy guide on 7 Nov 97. Through the USA practice APF may be used to support an MWR NAFI for expenditures, if the original NAF transaction was an authorized APF expense, unless specifically prohibited by law or regulation. The USA practice is designed to facilitate the effective use of funds for the MWR program.

When considering an expense element for USA offset any expense listed in this guidebook as eligible for APF funding is authorized the USA practice.



## **2.1. MWR ACTIVITIES (CATEGORY DEFINITIONS)**

**2.1.a. CATEGORY A - MISSION SUSTAINING.** MWR programs within this category promote the physical and mental well being of the military member, a requirement that supports accomplishment of the basic military mission. Programs that are included are listed below, but exclude snack bars or resale operations associated with these programs (which are considered Category C):

Category A Programs include:

- Armed Forces Professional Entertainment Programs Overseas
- Gymnasium/Physical Fitness/Aquatic Training
- Libraries - General
- Park and Picnic Areas
- Recreation Centers/Rooms
- Shipboard/Shore Videotape Movies/Isolated & OCONUS  
Free Admission 35MM Film Theaters
- Sports/Athletics (Self-Directed, Unit Level, Intramural)
- Single Sailor Programs
- Single Sailor Recreation Centers
- Skate Parks/BMX Courses (includes skateboard, inline Skate, Xtreme skate and BMX courses)
- Unit Level Programs and Activities
- Common Support Services (MWR G&A expenses)

Expenses incurred to provide Category A programs, as listed above are authorized and should be 100 percent funded with Appropriated Funds. However, be aware that there are some overhead type expenses (general and administrative [G&A] type overhead expenses) which are accounted for in the NAF financial statements under Category A that are not eligible for appropriated fund support. These "exceptions" are those expenses identified within the chart 3.1 as unauthorized expenditures of appropriated fund support.

Additionally, Category A expenses authorized APF support include management-related costs at the Base, Echelon II/III/IV, and some Program Manager level (essentially the general and administrative functions incurred in ECECS).

**2.1.b. CATEGORY B - COMMUNITY SUPPORT.** MWR Category B consists of MWR programs that satisfy the basic physiological and psychological needs of Service members and their families, providing, to the extent possible, the community support systems that make DoD installations temporary home towns for a mobile military population. Programs included in this group are listed below, but exclude snack bars or resale operations associated with these programs (which are considered Category C):

Category B Programs include:

- Art and Crafts
- Automotive Craft Skill Development
- Bowling Centers (12 lanes or less)
- Child Development Centers
- Child Development Homes
- School-Age Care
- Music, Drama and Community Theater programs
- Marinas (without resale or private berthing)
- Outdoor Recreation including equipment checkout
- Primitive Campsites (includes overnight camping areas for tents, recreational vehicles without hookups)
- Recreational Swimming Pools
- Recreational Information, Tickets & Tour Services
- Sports Program (above intramural level)
- Youth Activities
- Community Recreation Centers
- Community Activities
- Riding Stables - without private boarding
- Vehicle Storage

A minimum of sixty-five percent (65%) of program expenses are required to be funded with Appropriated Funds (specific authorizations by element of expense are detailed in tables on pages 9 through 18, which follow).

**2.1.c. CATEGORY C - BUSINESS ACTIVITIES.** These programs are highly desirable as a means of providing recreational activity with the attendant morale benefit. Programs that are included in this group are listed below. Snack bars or resale operations may be included with some of these programs.

Category C Programs include:

- Navy Flying Clubs
- Amusement Machines
- Animal Care/Vet Clinics
- Audio/Photo Labs
- Bingo
- Bowling Centers (over 12 lanes)
- Car Washes
- Cabins/Cottages
- Equipment Rental
- Golf Course
- Joint Services Facilities
- Leisure (Unofficial) Travel Services
- Military Clubs
- Marinas - private berthing and/or resale
- Package Stores (MWR Operated)
- RV Parks w/hook-ups
- Skating Rinks
- Skeet/Trap Ranges
- Snack Bars/Soda Fountains
- Stables - with private boarding
- 35MM Film Base Theaters (paid admission programs)
- Entertainment

Note: Navy Flying Clubs are not authorized direct APF support nor are they eligible for USA offset. This is true for Navy Flying Clubs located OCONUS as well as within installations designated remote and isolated.

## SECTION 3.1 CHART OF AUTHORIZATION FOR USE OF APPROPRIATED FUNDS

### ELEMENT OF EXPENSE

### G & A

### CAT A

### CAT B

### CAT C

### CAT C

### CAT C

### OCONUS R & I (28)\*\*

### AUTHORIZATION FOR USE OF APF

1. <u>PERSONNEL- MILITARY</u>						
MWR/Recreation Officer	Y	Y	n/a	n/a	n/a	n/a
Division Officer	Y	Y	Y	N1**	N1	Y
Administrative Officer	Y	n/a	n/a	n/a	n/a	n/a
Athletic Director	n/a	Y	n/a	n/a	n/a	n/a
Gym Attendant	n/a	Y	n/a	n/a	n/a	n/a
Sports Coordinator	n/a	Y	n/a	n/a	n/a	n/a
Program/Facility Manager	Y	Y	Y	N1	N1	Y
Program/Facility Staff	Y	Y	Y	N1	N1	Y
Staff primarily devoted to resale operations	n/a	N	N	N	N	N
2. <u>PERSONNEL - CIVILIAN</u>						
A. Permanent and/or Temporary Assignment						
1) Executive Control & Essential Command Supervision (ECECS) at HDQ, Major Commands and Installation level.	Y	Y	Y	Y	Y	Y
2) Base Realignment & Closure (BRAC) related costs for NAF and APF employees.	Y	Y	Y	Y	Y	Y
3) Management & Supervisory Functions:						
MWR Director	Y	n/a	n/a	n/a	n/a	n/a
MWR Deputy Director	Y	n/a	n/a	n/a	n/a	n/a
Recreation Director	Y	Y	Y	n/a	n/a	n/a
Administrative Officer	Y	n/a	n/a	n/a	n/a	n/a
Financial Administrator	Y2					
Regional Business Manager	Y	n/a	n/a	n/a	n/a	n/a
Business Office Manager	Y2	n/a	n/a	n/a	n/a	n/a
NAF Accounting Manager/Supervisor	N					
Marketing/Public Affairs Officer	Y	n/a	n/a	n/a	n/a	n/a
Commercial Sponsorship Program Manager	N	N	N	N	N	N
NAF Personnel Manager	N	n/a	n/a	n/a	n/a	n/a
NAF Procurement Manager	N	n/a	n/a	n/a	n/a	n/a
Facilities/Maintenance Manager	Y	n/a	n/a	n/a	n/a	n/a
Recreation Specialists	n/a	Y	Y	N	n/a	Y
Sports Specialists	n/a	Y	Y	n/a	n/a	n/a
Athletics Director	n/a	Y	Y	n/a	n/a	n/a
Fitness Instructor	n/a	Y	Y	n/a	n/a	n/a
Aquatics Program/Facilities Manager	n/a	Y	Y	n/a	n/a	n/a
Recreation Movie Theater Manager	n/a	Y	n/a	n/a	n/a	n/a
Commercial Movie Theater Manager	n/a	n/a	n/a	N	N	Y
Young Adult/ Single Sailor Program Manager	n/a	Y	n/a	n/a	n/a	n/a

## SECTION 3.1 CHART OF AUTHORIZATION FOR USE OF APPROPRIATED FUNDS

<u>ELEMENT OF EXPENSE</u>	<u>G &amp; A</u>	<u>CAT A</u>	<u>CAT B</u>	<u>CAT C</u>	<u>CAT C</u> <u>OCONUS</u>	<u>CAT C</u> <u>R &amp; I (28)**</u>
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Recreation Center Manager	n/a	Y	Y	n/a	n/a	n/a
Afloat Rec Specialists	n/a	Y	n/a	n/a	n/a	n/a
Fleet Recreation Coordinators	n/a	Y	n/a	n/a	n/a	n/a
Librarian (NAF only if USA'd)	n/a	Y	n/a	n/a	n/a	n/a
Craftech Manager	n/a	n/a	Y	n/a	n/a	n/a
Auto Skills Manager	n/a	n/a	Y	n/a	n/a	n/a
Community Activities Manager	n/a	n/a	Y	n/a	n/a	n/a
Youth Director/Program Manager	n/a	n/a	Y	n/a	n/a	n/a
School-Age Care Program Manager	n/a	n/a	Y	n/a	n/a	n/a
Outdoor Rec Program Manager	n/a	n/a	Y	n/a	n/a	n/a
Bowling Center (12 lanes or less) Manager	n/a	n/a	Y	n/a	n/a	n/a
Bowling Center (13 lanes or more) Manager	n/a	n/a	n/a	N	N	Y
ITT Program Manager	n/a	n/a	Y	n/a	n/a	n/a
Leisure Travel Manager (in-house travel agency)	n/a	n/a	n/a	N	N	Y
Child Development:						
Program Administrator	n/a	n/a	Y	n/a	n/a	n/a
Training & Curriculum	n/a	n/a	Y	n/a	n/a	n/a
Resource and Referral			Y			
Child Development Home Care Coordinator and/or Monitor	n/a	n/a	Y	n/a	n/a	n/a
Food & Beverage Program/Facility Manager	n/a	n/a	n/a	N	N	Y
Marina Manager	n/a	n/a	Y	N	N	Y
Golf Course Manager	n/a	n/a	n/a	N	N	N
Golf Pro	n/a	n/a	n/a	N	N	N
Golf Pro Shop Manager	n/a	n/a	n/a	N	N	N
Air Show Coordinator	n/a	n/a	n/a	N	N	Y
Consolidated Package Store Manager	n/a	n/a	n/a	N	N	Y
4) Non-Supervisory Positions:						
Administrative Support Staff	Y	Y	Y	N	N	Y
NAF Accounting Technicians	N	n/a	n/a	n/a	n/a	n/a
NAF Payroll Clerks	N	n/a	n/a	n/a	n/a	n/a
NAF Procurement Clerks	N	n/a	n/a	n/a	n/a	n/a
APF Budget Analyst/OPTAR	Y	n/a	n/a	n/a	n/a	n/a
Central Cashier	N	n/a	n/a	n/a	n/a	n/a
Internal Controls Specialist	Y	n/a	n/a	n/a	n/a	n/a
NAF Property Management	N	n/a	n/a	n/a	n/a	n/a
APF Property Management	Y	n/a	n/a	n/a	n/a	n/a
Secretary	Y	Y	Y	N	N	Y
NAF Personnel Specialists	N	n/a	n/a	n/a	n/a	n/a
ADP Coordinators/Computer Services	Y	n/a	n/a	n/a	n/a	n/a
Publicity Specialists/Clerks	Y	n/a	n/a	n/a	n/a	n/a
Marketing Specialists	Y	n/a	n/a	n/a	n/a	n/a

## SECTION 3.1 CHART OF AUTHORIZATION FOR USE OF APPROPRIATED FUNDS

<u>ELEMENT OF EXPENSE</u>	<u>G &amp; A</u>	<u>CAT A</u>	<u>CAT B</u>	<u>CAT C</u>	<u>CAT C</u> <u>OCONUS</u>	<u>CAT C</u> <u>R &amp; I (28)**</u>
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Graphic Artists	Y	n/a	n/a	n/a	n/a	n/a
MWR Groundskeeping Staff	Y3	Y3	Y3	N	N	Y3
MWR Custodial Staff	Y	Y	Y	N	N	Y
MWR Maintenance Staff	Y	Y	Y	N	N	Y
Program/Facility Staff	Y	Y	Y	N	N	Y
Recreation Aides/Facility Attendants	n/a	Y	Y	N	N	Y
Sports Officials	n/a	Y	Y	n/a	n/a	n/a
Lifeguards	n/a	Y	Y	n/a	n/a	n/a
Movie Theater Attendants	n/a	Y	n/a	N	N	Y
Motion Picture Projectionists	n/a	Y	n/a	N	N	Y
Library Attendants	n/a	Y	n/a	n/a	n/a	n/a
Mechanic (Auto Skills)	n/a	n/a	Y	n/a	n/a	n/a
Bowling Center (12 lanes or less) Mechanic	n/a	n/a	Y	n/a	n/a	n/a
Bowling Center (13 lanes or more) Mechanic	n/a	n/a	n/a	N	N	Y
Leisure Travel Agents	n/a	n/a	n/a	N	N	Y
Child Development:						
Caregivers	n/a	n/a	Y	n/a	n/a	n/a
USDA Administrative/Clerical Staff	n/a	n/a	Y	n/a	n/a	n/a
Operation Clerk	n/a	n/a	Y	n/a	n/a	n/a
Food Service Workers	n/a	n/a	Y	n/a	n/a	n/a
Food & Beverage:						
Executive Chef	n/a	n/a	n/a	N	N	N
Wait Staff	n/a	n/a	N	N	N	N
Bartenders	n/a	n/a	N	N	N	N
Cooks	n/a	n/a	N	N	N	N
Food Service Workers	n/a	n/a	N	N	N	N
Operations Assistant	n/a	n/a	N	N	N	N
Custodial staff	n/a	n/a	N	N	N	N
Golf Course Superintendent	n/a	n/a	n/a	N	N	N
Golf Course Groundskeeping	n/a	n/a	n/a	N	N	N
<b>3. TRAVEL OF PERSONNEL</b>						
A. Permanent Change of Station (PCS)						
1) Relocation of APF Personnel	Y	Y	Y	Y	Y	Y
2) Relocation of NAF Personnel	N 4	N4	N 4	N4	N4	N4
B. Temporary Duty (TDY and/or TAD Travel).						
1) APF employees and military members.	Y	Y	Y	Y	Y	Y
2) NAF employees, regardless of position or MWR category, when travel is directed by a DoD Component or organization and the TDY is for a Government purpose	Y	Y	Y	Y	Y	Y

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<u>ELEMENT OF EXPENSE</u>	<u>G &amp; A</u>	<u>CAT A</u>	<u>CAT B</u>	<u>CAT C</u>	<u>CAT C</u> OCONUS	<u>CAT C</u> R & I (28)**
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related directly to functions authorized APF support.						
3) NAF employees, related directly to functions not authorized APF support.	N	N	N	N	N	N
4) International and national sports competition authorized by statute and other DoD issuances to include command supervision. (Does not prevent space available travel by participants in MWR athletic, recreation, and entertainment event programs).	n/a	n/a	Y	n/a	n/a	n/a
C. Use of Vehicles. (Includes motorpool controlled vehicles).						
1) To assist in ECECS.	Y	Y	Y	Y	Y	Y
2) Other than to assist in ECECS. When not authorized, use of reimbursable lease is allowed.	Y	Y	Y	N	N	Y
3) APF or NAF employees, when travel is directed by a DOD component or organization and the TDY is for a government purpose.	Y	Y	Y	Y	Y	Y
4) APF or NAF employees, related directly to functions not authorized APF support..	Y	Y	Y	N	N	Y
<b>4. <u>TRANSPORTATION OF THINGS</u></b>						
A. APF Purchased Goods. (Applies to transoceanic and inland transportation of US or foreign goods).	Y	Y	Y	Y	Y	Y
B. NAF Purchased Goods.						
1) Transoceanic US and Foreign Goods.						
A. Applies to movement of goods to and from Continental US (CONUS) sea and aerial ports of debarkation to the first destination overseas (referred to as second destination charges), including Alaska, Hawaii, and to the first foreign destination (including Guam and overseas territories of the US) for goods stocked and redistributed or procured from Alaska and Hawaii. (Includes excess property).	Y	Y	Y	Y	Y	Y
2) Inland						
A. Movement of US and foreign	Y	Y	Y	Y5	Y5	Y

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<u>ELEMENT OF EXPENSE</u>	<u>G &amp; A</u>	<u>CAT A</u>	<u>CAT B</u>	<u>CAT C</u>	<u>CAT C</u>	<u>CAT C</u>
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goods in foreign areas where commercial transportation is not readily available and in combat zones. Includes the movement of goods to isolated locations.						
B. Movement of US goods within foreign countries from port of embarkation to first destination or bulk breakdown point. Includes the movement of goods to isolated location.	Y	Y	Y	Y5	Y 5	Y
C. Movement of foreign goods within foreign countries from port of embarkation to first destination or bulk breakdown point.	Y	Y	Y	Y	Y	Y
D. Movement of US goods between DoD installations because of base closure, or to safeguard goods under emergency conditions, e.g. threats of hostile force or natural disaster.	Y	Y	Y	Y	Y	Y
E. Other.	N	N	N	N	N	N
<u>5. COMMUNICATIONS.</u>						
A. Telephone (including DSN, long distance, FTS).						
1) In day to day operations	Y	Y	Y	Y	Y	Y
2) Administrative office/MWR Director	Y	n/a	n/a	n/a	n/a	n/a
3) Accounting Office	Y	n/a	n/a	n/a	n/a	n/a
4) For buying resale merchandise	N	N	N	N	N	N
5) For NAF payroll use	N	n/a	n/a	n/a	n/a	n/a
B. Television	Y6	Y 6	Y6	N	Y6	Y6
C. Modems	Y	Y	Y	Y	Y	Y
D. Internet						
1) Official use	Y	Y	Y	Y	Y	Y
2) Recreational/Leisure Usage (service provided at no charge or nominal fee to customer.	n/a	Y	Y	N	N	Y
3) MWR Program where fees are charged for internet access.	n/a	Y	Y	N	N	Y
E. Installation of Local Area Network (LAN)	Y	Y	Y	Y	Y	Y
F. Cable Service (procurement of service)	Y	Y6	Y6	N	N	Y6
G. Postage	Y	Y	Y	N	N	Y
1) Calendars, newsletters, promotions, announcements, etc.	Y7	Y 7	Y 7	Y7	Y7	Y7
2) Correspondence w/other commands	Y	Y	Y	Y	Y	Y
3) Purchase orders for resale items	n/a	N	N	N	N	N
4) Collecting overdue accounts/returned	N	N	N	N	N	N



## SECTION 3.1 CHART OF AUTHORIZATION FOR USE OF APPROPRIATED FUNDS

ELEMENT OF EXPENSE	<u>G &amp; A</u>	<u>CAT A</u>	<u>CAT B</u>	<u>CAT C</u>	<u>CAT C</u> <u>OCONUS</u>	<u>CAT C</u> <u>R &amp; I (28)**</u>
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checks						
5) Movies	n/a	Y	n/a	N	N	Y
<b>6. UTILITIES AND RENTS</b>						
A. Utilities. <i>Note 8</i>	Y	Y	Y	N	Y	Y
B. Rents and Leases (real property)	Y	Y	Y	Y	Y	Y
1) Vehicles	Y	Y	Y	N	Y	Y
<b>7. MAINTENANCE AND REPAIR TO SUPPORT MWR ACTIVITY OPERATIONS</b>						
A. MWR Program Operations. (Applies to that work required to be accomplished within a facility in support of the MWR program such as repair and maintenance of wall coverings, decorating, lighting, carpeting, theater seats, etc.	Y	Y	Y	N	N	Y
B. Maintenance, Equipment and Repair						
1) APF purchased	Y	Y	Y	Y	Y	Y
2) NAF purchased	N9	N9	N9	N9	N9	N9
3) Equipment obtained from salvage	Y	Y	Y	N	N	Y
4) Temporary loan of gov't equipment	Y	Y	Y	N	N	Y
5) Spare parts inventory for use in repair and maintenance						
A. For use on APF equipment	Y	Y	Y	Y	Y	Y
B. For use on NAF Equipment	N	N	N	N	N	N
<b>8. INVESTMENT EQUIPMENT</b>						
Relates to the acquisition and use of equipment classified as investment items	Y	Y	Y	Y 10	Y 10	Y
<b>9. PRINTING AND REPRODUCTION</b>						
A. MWR calendars, newsletters, promotions, special event notices.	Y 7	Y 7	Y 7	N	N	Y 7
B. APF Accounting Forms	Y	Y	Y	Y	Y	Y
C. Patron Surveys	Y	Y	Y	N	N	Y
D. Promotion of resale merchandise	N	N	N	N	N	N
E. Promotion of food & beverage	N	N	N	N	N	N
F. Menus	N	N	N	N	N	N
G. For production of items used in day to day operations	Y	Y	Y	N	N	Y
H. NAF Accounting Forms	N	N	N	N	N	N
I. Tickets and Vouchers	Y	Y	Y	N	N	Y
J. Business Cards	N 29	N 29	N 29	N 29	N 29	N 29
<b>10. SUPPLIES.</b> Included in this group are clothing, tentage, organizational tools, and administrative and housekeeping supplies						

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petroleum fuels, lubricants, preservative, coolants, oil derivatives (other than aircraft and petroleum, oil, and lubricants).						
A. ECECS	Y	Y	Y	Y	Y	Y
B. Related to resale	N	N	N	N	N	N
C. Food supplies for meals served in Child Development and Youth programs	n/a	n/a	Y	n/a	n/a	n/a
D. Administrative supplies	Y	Y	Y	N	N	Y
E. Cleaning supplies	Y	Y	Y	N	N	Y
F. Custodian and janitorial supplies	Y	Y	Y	N	N	Y
G. Child and Youth program supplies (e.g. toys, games, balloons, construction paper, craft supplies, crayons, video tapes, books, etc.)	n/a	n/a	Y	n/a	n/a	n/a
H. Craft/Hobby Center supplies (not for resale).	n/a	n/a	Y	n/a	n/a	n/a
I. Tools for Hobby/Craft/Auto Skills centers	n/a	n/a	Y	n/a	n/a	n/a
J. Decorations for events ( <i>Note 11</i> )	Y	Y	Y	N	N	Y
K. Trophies ( <i>Note 12</i> )	Y	Y	Y	N	N	N
L. Library Supplies	n/a	Y	n/a	n/a	n/a	n/a
M. Recycling Program Supplies	13	13	13	13	13	13
N. Employee Uniforms	Y 14	Y 14	Y 14	N	N	Y 14
O. MWR Participant Awards/Certificates	n/a	Y	Y	N	N	Y
P. Recreation/Community Center Supplies	n/a	Y	Y	n/a	n/a	n/a
Q. Navy Ball, Midway Celebration/Command Functions	N	N	N	N	N	N
11. <u>EQUIPMENT.</u> Includes the acquisition cost of any item of equipment, furniture, or furnishings that does not meet the criteria of an investment cost.						
A. ECECS	Y	Y	Y	Y	Y	Y
B. Related to resale	N	N	N	N	N	N
C. Surplus and/or excess Government Equipment	Y	Y	Y	Y	Y	Y
D. Equipment for rental (e.g. skates, boats, tents, coolers, kayaks, boats, tools, grills, etc.)	n/a	Y	Y	N	N	Y
E. Athletic/Fitness equipment	n/a	Y	Y	n/a	n/a	n/a
F. Office furniture (e.g. chairs, desks, tables, etc.)	Y	Y	Y	N	N	Y
G. PA systems	Y	Y	Y	N	N	Y
H. Musical instruments	n/a	Y	Y	N	N	Y
I. Kilns	n/a	n/a	Y	n/a	n/a	n/a
J. Tables/Chairs	Y	Y	Y	N	N	Y
K. Bar Equipment	N	N	N	N	N	N
1) Negative Pressure Rooms ( <i>Note 30</i> )	n/a	n/a	N	N	N	N

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L. Food Service/Preparation Equipment	n/a	Y	Y	N	N	Y
M. Auto Skills Center Equipment	n/a	n/a	Y	n/a	n/a	n/a
N. Wood Hobby Center Equipment	n/a	n/a	Y	n/a	n/a	n/a
O. Safes	Y	Y	Y	N	N	Y
P. Time Clocks for NAF employees	N	N	N	N	N	N
Q. Computers	Y	Y	Y	N	N	Y
R. Printers	Y	Y	Y	N	N	Y
S. Copy Machines	Y	Y	Y	N	N	Y
T. Fax Machines	Y	Y	Y	N	N	Y
U. Telephone systems	Y	Y	Y	N	N	Y
V. Amusement/vending machines	n/a	N	N	N	N	N
W. Billiard tables (and other games)	Y	Y	Y	N	N	Y
1) Free usage tables	Y	Y	Y	Y	Y	Y
2) Coin operated or usage charge tables	N	N	N	N	N	N
X. Vehicles						
1) Buses; vans; cars	Y15	Y15	Y15	N	N	Y15
2) Trucks	Y15	Y15	Y15	N	N	Y15
3) Forklifts	Y15	Y15	Y15	N	N	Y15
4) Mowing equipment/grounds maintenance equipment	Y	Y	Y	N	N	Y
5) Utility vehicles	Y	Y	Y	N	N	Y
6) Golf Carts	n/a	n/a	n/a	N	N	Y
Y. Equipment associated with recycling programs; to conduct recycling services (e.g. compactors,	13	13	13	13	13	13
Z. Insurance/insurance premiums	N	N	N	N	N	N
12. <u>MERCHANDISE AND SERVICE.</u> Pertains to merchandise and services procured by an MWR program for resale.	N	N	N	N	N	N
13. <u>MWR AIRCRAFT AND BOAT PETROLEUM, OIL, AND LUBRICANTS (POL).</u> Applies to POL (including fuel additives) consumed by MWR aircraft and boats operated in conjunction with the MWR program (does not include cost for travel of personnel).	N	N	N	N	N	N
14. <u>SERVICES.</u>						
A. Education, training, conferences and Conference fees.						
1). APF non-tuition courses may not charge for NAF employees	Y	Y	Y	Y 16	Y 16	Y 16

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attending.						
2.) APF employees	Y	Y	Y	n/a	n/a	Y
3). NAF employees	Y 16	Y 16	Y 16	Y 16	Y 16	Y 16
B. Auditing Service.						
1). Command evaluation staff	Y	Y	Y	Y	Y	Y
2). DoD Component audit organization.	Y	Y	Y	Y	Y	Y
3). Private accounting firm	Y	Y	Y	Y	Y	Y
C. Data Automation.						
1).ECECS	Y	Y	Y	Y	Y	Y
2). NAF Inventory	N	N	N	N	N	N
3). NAF Accounting	N	n/a	n/a	n/a	n/a	n/a
4). Property Management (NAF)	N	N	N	N	N	N
5). Property Management (APF or majority of time on APF)	Y	Y	Y	Y	Y	Y
6). Tracking APF support	Y	Y	Y	Y	Y	Y
D. Legal Services. (Service and assistance From Judge Advocate General and General Counsel or military and civilian Assignment authorizations deemed Appropriate by the Service Component. Includes internal civilian staff as integral Element of MWR.	Y	Y	Y	Y	Y	Y
E. Custodial and Janitorial service contract. (Note 17)	Y	Y	Y	N	N	Y
F. Grounds Maintenance service contract. Applies to work required to maintain surrounding building grounds. Golf courses must be NAF Funded except ground surrounding immediate area of club house.	Y	Y	Y	Y	Y	Y
G. Ombudsmen Expense (Note: 18)						
1) Communication (e.g telephone, fax Internet)	Y	n/a	n/a	n/a	n/a	n/a
2) Child Care	Y	n/a	n/a	n/a	n/a	n/a
3) Travel	Y	n/a	n/a	n/a	n/a	n/a
H. Common Support. Service associated with protecting health and safety. Services commonly supplied and provided as a function to all installation employees and organizations. (Note: 19).	Y	Y	Y	Y	Y	Y
1). Fire protection/prevention; smoke alarms.	Y	Y	Y	Y	Y	Y
2) Pest control	Y	Y	Y	Y	Y	Y
3) Snow removal	Y	Y	Y	Y	Y	Y
4) Trash and garbage removal	Y	Y	Y	Y	Y	Y
5) Sewage	Y	Y	Y	Y	Y	Y
6) Security	Y	Y	Y	Y	Y	Y

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7) Safety	Y	Y	Y	Y	Y	Y
8) Ground storage tank leaks	Y	Y	Y	Y	Y	Y
9) Environmental compliance	Y	Y	Y	Y	Y	Y
10) Vet and medical support	Y	Y	Y	Y	Y	Y
11) Sanitation inspection	Y	Y	Y	Y	Y	Y
12) Maintenance of common grounds	Y	Y	Y	Y	Y	Y
13) HVAC Systems	Y	Y	Y	Y	Y	Y
14) Maintenance of electrical; structural; roofing; etc.	Y	Y	Y	Y	Y	Y
I. Protection of Funds						
1) Armored transport service	Y	Y	Y	Y	Y	Y
2) Security systems	Y	Y	Y	Y	Y	Y
3) Procurement of safes	Y	Y	Y	N	N	Y
J. Child Development Home Subsidy	n/a	n/a	Y	n/a	n/a	n/a
K. Background Checks	Y	Y	Y	Y	Y	Y
L. Entertainment Services/Tickets	n/a	N	N	N	N	N
15. CONSTRUCTION (Note 19)						
A. Architectural and Engineering Services.						
1) APF Construction	Y	Y	Y	n/a	n/a	Y
2) NAF Construction. Applies for scheduled projects as approved by the DoD Components concerned, provided as no additional manpower authorizations are required.	Y	Y	Y	Y	Y	Y
B. Minor Construction. (Note 20)						
1) Construction projects under \$500K	Y	Y	N 21	N	N	N
2) Repair projects (Note 24)	Y	Y	N	N	N	N
3) Project collateral equipment	Y 22	Y 22	N21	N	N	N
4) Project built-in equipment	Y 23	Y 23	N21	N	N	N
5) Land Acquisition (MILCON)	Y	Y	Y	Y	Y	Y
C. Military Construction/MILCON (See Appendix A)	Y	Y	N21	N	N	N
D. Facilities Maintenance/Repair (Notes 20/24)						
1) APF owned and/or leased						
A. Building Maintenance	Y	Y	Y	Y 24/25	Y24/25	Y
B. Built-in equipment maintenance	Y	Y	Y	Y24	Y24	Y
C. Restoration of a facility	Y	Y	Y	Y26	Y26	Y
D. Grounds Maintenance	Y	Y	Y	Y24	Y24	Y
E. Interior Maintenance	Y	Y	Y	Y24/27	Y24/27	Y
F. Exterior Maintenance	Y	Y	Y	Y24	Y24	Y
2) NAF owned and/or leased (Note 24)						
A. Building Maintenance	N	N	N	N	N	N
B. Built-in equipment maintenance	N	N	N	N	N	N
C. Restoration of a facility	N	N	N	N	N	N
D. Grounds Maintenance	N	N	N	N	N	N
E. Interior Maintenance	N	N	N	N	N	N

### **3.2. NOTES DEFINED**

#### NOTE

1. Per BUPERSINST 1710.13A and DOD 1015.10 military personnel (regardless of rate) may be assigned to MWR Category A and B activities. At remote and isolated bases, MWR Category C activities are considered Category B activities for funding authorization purposes. In non-remote and isolated Category C activities, Mess Specialists may be assigned to work in MWR clubs or other food outlets. However, the use of MS personnel in clubs shall be kept to the absolute minimum required to meet MS sea/shore rotation and training cycles.
2. In some situations MWR employees may perform some functions authorized to be performed by a Civil Service employee and some functions not authorized to be performed by a civil servant. For purposes of determining authorization for APF support, the percentage of time the employee spends performing "APF-authorized" functions should be greater than 50 percent to be considered appropriate for APF funding.
3. Only if position requires technical/professional qualification (e.g. requires specialized degree or formal training).
4. APF channels can be used for shipment of household goods or PCS of NAFI employees, but NAF dollars must be used for payment. (Only cases of BRAC or base realignment are exceptions).
5. Initial funding authorized only when NAF dollars are used to reimburse payment.
6. Generally not authorized for management or staff purposes; but is authorized as direct support of a recreation program.
7. That portion that is NOT related to the sale of merchandise or services, is authorized APF.
8. Utilities include the cost of water, gas, electricity, and other utility services used by MWR programs. Rates charged will not include incremental or prorated share of overhead, maintenance, and repair to utility systems, or capital investments in the installation's utility infrastructure systems unless otherwise specified by a

memorandum of agreement (MOA) or Inner Service Support Agreement (ISSA). Golf Course irrigation systems MUST be NAF funded.

9. Use of APF to repair/maintain NAF equipment will require the equipment to be transferred to APF property records. The NAF equipment will become APF equipment, and should be inventoried as required by local APF property management staff.
10. Investment equipment in support of food preparation equipment (Galley type) and surplus equipment is authorized (i.e., Investment equipment is defined as equipment with an acquisition cost over \$100K).
11. Note of caution when purchasing decorations (for events). Care should be exercised to procure only those items with APF that are considered to be crucial to the event or mission.
12. The Office of the Assistant Secretary (Financial Management and Comptroller) authorized the use of APF funds, in these programs, in a letter dated 30 June 2000 provided that a) The competitions are officially established and announced and are of a continuing nature. b) The trophies or awards are not cash. c) The trophies or awards are not items of a personal nature or have independent intrinsic value to the recipients. Prior to that, DoD Directive 1348.19, Awards of Trophies and Similar Devices in Recognition of Accomplishments, May 12, 1989 authorized the Services to use appropriated funds to purchase trophies and similar devices. These awards can be presented for accomplishment and competitions to include intramural sports and other athletic events. However, SECNAVINST 3590.4A specifically excluded those awards made in connection with sports and welfare activities from the provision of the instruction.
13. Recycling is NOT an MWR program. MWR funds may NOT be used to subsidize program operations.
14. Employees uniforms purchased with APF are considered organizational uniforms and must be inventoried, controlled through issuance, usage and replacement. Upon termination, employees must return uniforms. Procedures must be followed as noted in NAVSUP Instruction 4200.85,

15. Buses, vans, cars and trucks cannot be purchased by local commands with O& M,N. Requirements must be submitted to NAVFAC. Forklifts (Material Handling Equipment - MHE) must be procured by NAVSUP.
16. APF may be used to fund NAF employee courses for training that is not job unique; examples include but are not limited to, management and/or leadership development courses, quality training, health and safety, sexual harassment training, etc.
17. Not authorized for services that would be considered everyday operating expenses of facilities (e.g. cleaning of kitchen, bar surfaces, grill or stove cleaning, dishwashing, etc.) APF is authorized for common areas when part of a master contract or service only.
18. Authorization for use of APF for OMBUDSMAN expenses in accordance with OPNAVINST 1750.1D and NAVPERS 1557A.
19. All MWR activities are authorized to receive appropriated fund common support associated with protecting the health and safety of participants, employees, resources and property. Facility maintenance and repair necessary to maintain the structural integrity and overall internal/external quality of a building (includes electrical, mechanical, roofing, foundations, windows, and doors), environmental compliance (i.e. asbestos removal, hazardous materials, lead paint, etc.), as well as American Disabilities Act (ADA) compliance, and fire/safety are classified as repair costs and are authorize APF Funding. When the repair costs exceed 70% of the building value, complete replacement vice repair is recommended.
20. The DoD policy for the construction of community support facilities does not fully match the authorized APF operational profile. In summary, the remote and isolated classification is not applicable to construction /repair funding policies.
21. Category B construction (minor and MILCON) is authorized APF ONLY for Child Development and OCONUS Youth facilities.
22. Collateral equipment (not built-in) cost must be identified as a separate expense from the construction or repair contract.



23. Funding for built-in equipment is part of the entire construction investment funding.
24. Common support maintenance/repair for safety, fire protection, structural integrity, ADA compliance etc., is authorized. APF is also authorized for Building/Equipment that are authorized under current entitlements.
25. Only common support routine maintenance; excluding golf facilities is authorized.
26. Category C facilities are ONLY authorized APF for restoration of a facility for reasons due to Acts of God, or if a facility needs to be relocated/rebuilt at the convenience of the government.
27. Repairs to facility interiors such as painting, carpet, wallcovering, etc., which are specific to the activity/program sponsored, must be funded with NAF if other than that specified in Note 24.
28. Category C MWR Activities at designated Remote and Isolated installations are authorized to be funded with APFs after efforts have been made to fund Category A and Category B activities at authorized levels (100% and 65% of authorized expenses, respectively).
29. DON appropriated funds are not available for the procurement of business cards for military or civilian employees. There is only one exception, for those directly engaged in recruiting, i.e., personnel initiating and maintaining direct contact with prospective recruits in the recruiting process.

DON employees may use Government computers, existing software, and off-the shelf consumables to print business cards. Most important are the requirements that the employee obtain the consent of an "Agency Designee" (the first supervisor who is a commissioned military officer or a civilian above GS-11 in the chain of command), and that the printing of business cards not create significant additional costs to the Government. Employees should provide business card stock at their own expense.

30. For information on Negative Pressure Rooms contact Business Activities (PERS-655) (C) 901-874-6645 (D) 882-6645.

**APPENDIX A**  
**APPROPRIATED FUND SUPPORT**  
**MWR CATEGORY A**

**CONSTRUCTION PROFILE**

MILCON PROJECTS	PROPER	IMPROPER
Administrative Office/Supply Center	X	
Aquatic Training Facility/Bathhouse for military training, physical fitness, combat training and/or therapy.	X	
Auditorium/Theater/ Multipurpose Gym/Fieldhouse/Physical Activities Complex	X	
Fleet Recreation Center	X	
Library	X	
Playing Courts and Fields (associated w/physical conditioning, intramural, training, etc.	X	
Picnic/Park Areas	X	
Recreation Theaters	X	
Recreation Centers/Rooms	X	
Single Sailor Centers	X	

*NOTE 1: There are times when appropriated funds may be used for all MWR construction; when related to the establishment, activation, or expansion of a military installation or relocation of facilities for convenience of the government; to correct life safety deficiencies; to maintain structural integrity; and, with prior approval from NAVCOMPT, for replacement of facilities denied by country-to-country agreements and for restoration of facilities destroyed by acts of God, fire, and terrorism.*

*NOTE 2: It is IMPROPER to use NAF Funds for any military construction for any MWR Category A facility.*

**APPENDIX A**  
**APPROPRIATED FUND SUPPORT**  
**MWR CATEGORY B**

**CONSTRUCTION PROFILE**

MILCON PROJECTS	PROPER	IMPROPER
Arts and Crafts/Skill Development		X
Automotive Skill Development Center		X
Campgrounds		X
Music/Theater/Entertainment		X
Information, Tickets and Tour facilities		X
Outdoor Recreation Pavilion		X
Recreation Courts and Fields (picnic and outdoor recreation areas, etc.)		X
Recreation Equipment Issue Facility		X
Recreation Swimming Pools/Bathhouses		X
Youth Centers/Youth Courts/playing fields:		
OCONUS	X	
CONUS		X
Bowling Centers (12 lanes or less)		X
Child Development Centers	X	
Marinas w/o resale or private boat berthing		X
Outdoor Theaters		X
Riding Stables (without private berthing)		X
Vehicle Storage Facilities		X
Community Centers		X

*NOTE 1: There are times when appropriated funds may be used for all MWR construction; when related to the establishment, activation, or expansion of a military installation or relocation of facilities for convenience of the government; to correct life safety deficiencies; to maintain structural integrity; and, with prior approval from NAVCOMPT, for replacement of facilities denied by country-to-country agreements and for restoration of facilities destroyed by acts of God, fire, and terrorism.*

**APPENDIX A**  
**APPROPRIATED FUND SUPPORT**  
**MWR CATEGORY C**

**CONSTRUCTION PROFILE**

<u>MILCON PROJECTS</u>	<u>PROPER</u>	<u>IMPROPER</u>
Navy Flying Clubs		X
Amateur Radio Facilities		X
Armed Forces Recreation Centers (accommodating dining and resale facilities)		X
Book Stores		X
Bowling Centers (more than 12 lanes)		X
Cabin/Cottage/Recreational housing/Lodges		X
Car Wash		X
RV Parks		X
Temporary Lodging Facilities		X
Golf Courses/Facilities		X
Golf Driving Ranges		X
Marina/Boathouse (w/resale and private berthing)		X
Package Stores		X
Riding/Boarding Stables		X
Equipment Rental facilities		X
Rod and Gun Club Facilities		X
Skeet/Trap Range/Facilities		X
Skating Rinks (ice, roller and skateboard)		X
Unofficial/Leisure Travel Offices		X
Movie Theaters (paid admission)		X
Military Clubs		X
Open Messes		X
Specialty food and beverage facility		X
Veterinary/Animal Care Facilities		X
Mini Golf courses		X
Bandstands		X

*NOTE 1: There are times when O&M,N/NR appropriated funds may be used for all MWR construction; when related to the establishment, activation, or expansion of a military installation or relocation of facilities for convenience of the government; to correct life safety deficiencies; to maintain structural integrity; and, with prior approval from NAVCOMPT, for replacement of facilities denied by country-to-country agreements and for restoration of facilities destroyed by acts of God, fire, and terrorism.*

NOTE 2: Authorization to fund Category C Activity MILCON projects in Remote and Isolated and OCONUS areas are as noted above.

#### MWR FACILITY FUNDING PROFILE

APPROVAL AUTHORITY	CATEGORY OF WORK	FUND SOURCE	COST LIMITS
Commanding Officer	Major Construction	None	None
	Minor Construction	O&M,N	\$0 - 500,000
		NAF	\$0 - 200,000
	Repairs/ Renovation	O&M,N	\$0 -1,000,000
		NAF	\$0 - 200,000
Echelon II Command	Major Construction	None	None
	Minor Construction	O&M,N	\$0 - 500,000
		NAF	\$0 - 200,000
	Repairs/ Renovation	O&M,N	\$0 - 5,000,000
		DBOF	\$0 - 3,000,000
		NAF	\$0 - 500,000
NPC	Major Construction	NAF	\$200,000 + UP
	Minor Construction	O&M,N	\$75,000 - 500,000
	Repairs/ Renovation	O&M,N	\$75,000 - 5,000,000
		Central NAF	\$200,000 + UP
Resource Sponsor/ Echelon II Command	Major Construction	MILCON (APF)	\$500,000 + UP

Reference Notes:

1. Project execution approval authority is limited to the specified funding threshold. Projects with funding requirements below the range outlined can be funded by higher authority when deemed appropriate by the approval authority.
2. Construction category of work includes the erection, installation, or assembly of a new facility; the addition, expansion, alteration, conversion or replacement/relocation of a real property facility.
3. Repair category of work refers to the restoration of a facility through overhaul/replacement of built-in parts or materials that have deteriorated over time or through usage. Repair may include modification or addition of building components or materials necessary to comply with current life safety standards, national or regional building codes, or environmental regulations.
4. For minor construction/repair projects with combined work categories (i.e., "RC" Repair and Construction), the threshold authority applicable to each respective category of work applies in determining the execution approval authority.
5. Each respective Echelon II Command must approve the \$3,000,000 DBOF threshold delegation.
6. All major construction projects require DOD and/or Congressional review and approval prior to construction execution. The Morale, Welfare and Recreation/Navy Exchange Board of Directors (MWR/NEX BOD) approves NAF construction projects between \$200,000 and \$500,000. Construction projects (NAF) over \$500,000 require Congressional review by both chambers of Congress.
7. Resource Sponsors and Echelon II Commands are responsible for programming execution of MILCON projects. Congressional review and approval is required prior to construction.
8. NAF construction project investments greater than \$200,000 and repair project investments over \$500,000 require review through the MWR/NEX Flag Level Executive Committee (FLEC). NPC will coordinate all NAF reviews and submissions to higher authority.
9. OPNAVINST 11010.20F, Facilities Projects Manual, provides expanded information on preparation of Special Projects. NAVFACINST 11010.44E provides information on preparation and submission of MILCON projects. NPC Internal Needs Validation

Study (INVS) procedure provides the vehicle and instructions for submission of NAF capitalization projects.

## **APPENDIX B**

### **APPROPRIATED FUND SUPPORT COMMONLY ASKED QUESTIONS AND ANSWERS**

QUESTION. Can MWR use APFs to pay for advertisements placed in newspapers for recruiting of civilian personnel?

ANSWER. Yes. However, advertising contract actions are not authorized unless specific approval has been granted in accordance with NAPS 5205.5. For civilian personnel advertising, the Secretary has delegated the approval authority to officers in command and officers in charge of all Navy and Marine Corps field activities. Authority to approve the publication of paid advertising in newspapers for all other purposes is delegated, without power of redelegation, to the Chief of the Contracting Office.

REFERENCES. FAR 5.5  
DFARS 205.5  
NAPS 5205.5  
COMNAVCRUITCOMINST 1147.1 (series) Navy  
Recruiting  
SECNAVINST 12330.2 (series) (Civilian  
Recruiting)  
Section 332-1-9 of the Federal Personnel  
Manual  
44 U.S.C. 3702  
5 U.S.C 302(b)

QUESTION. Can you provide further guidance on the use of APF in support of A&E services for Category C NAF Projects?

ANSWER. Category "C" activities are generally financed by nonappropriated funds. Appropriated funds may be used only for architect/engineer services in support of APF construction and in support of NAF construction, provided that no additional personnel authorizations are required.

REFERENCES. Financial Management Policy Manual (formerly NAVCOMPT Volume 7, Budget Policy for Operations)  
DoDI 1015.10, Programs for MWR



QUESTION. Can APF Funds be used to support ceremonial command functions?

ANSWER. Official ceremonies are categorized in SECNAVINST 5720.44 series. Appropriated funds are only authorized for "essential costs" incident to the ceremony itself. This may include assembly, or disassembly of a speakers platform, janitorial services for restoration of facilities to pre ceremony conditions, invitations ordered through the supply system, hook up of a public address system as well as local on station transportation of ceremony participant or guests. Costs related to the reception are clearly not considered essential and therefore cannot be supported with appropriated funds. The types of such nonessential costs include refreshments (ceremonial cakes, pastry, cookies, and beverages) as well as decorations (bunting, red carpets, draperies and ornaments).

QUESTIONS. Are there any situations where appropriated funds can be used to purchase refreshments for internal command celebrations?

ANSWER. There are two specific cases where APF funds can be used:

1. Ethnic observations. Navy organizations are permitted to expend appropriated funds, as authorized, to carry out activities designed to recognize the contribution that minorities have made to society under the authority of Comptroller General B199387 of 23 March 1982. Small "samples" of ethnic foods prepared and served during a formal ethnic awareness program may be purchased with APF. The samples should be of minimal proportions and are not intended to serve as meals or refreshments.
2. Awards ceremonies. Commanders may hold awards ceremonies for military and civilian employees. These ceremonies are usually attended by award recipients, families, friends, and work associates for the following personnel: (a) Civilian employees (The Federal Personnel manual Chapter 451 states that it may be appropriate under authority of 5 U.S.C. 4503. (NOTE: The cost of light refreshments for personnel who are paid from NAF will be charged to NAF funds.), and (b) Military personnel (Similar authority is provided under 10 U.S.C 1124 which

states "...and incur necessary expenses for the honorary recognition of a member of the armed forces under his jurisdiction who by his suggestion, invention, or scientific achievement contributes to the efficiency, economy, or other improvement of operations or programs related to the armed forces.")

QUESTION. Can APF funds be used to pay for the costs associated with the performance of Criminal History Background checks on individual involved with Child Development, School Age Care and Youth Programs?

ANSWER. Yes. Per CNO ltr 1700 Ser 659/01337 of 31 Aug 1993, guidance was provided meeting requirements for background checks on Child Development and Youth Program personnel. Guidance states that the cost of conducting background checks is a cost of operations and an authorized APF expense for both NAF and APF personnel. Additionally, Navy Comptroller ruling allows for the payment of all costs associated with background checks with APF monies.

QUESTION. Can APF funds to be used to pay for field trips associated with Child Development programs?

ANSWER. Yes. APF funds (if available) can be used to supplement transportation costs associated with field trips. The parent should pay admission or entry fees for field trips.

QUESTION. Can APF funds be used to pay for food and related preparation expenses in Child Development programs?

ANSWER. Yes. Paragraph 075524.6 of NAVCOMPT Manual, Volume 7 addresses costs directly related to the care of family members, which includes expenses related to providing food services. The policy states that, in general, these costs may be paid from APF or NAF. (From NAVCOMPT ltr NCB-511 075524.6 dtd 5 Oct 92).

QUESTION. Can APF funds be used to pay for food and related preparation expenses in School Age Care programs?

ANSWER. Yes. See above answer.

QUESTION. Can APF funds be used to pay for National Agency Checks and State Criminal History Repositories for Child Development, Youth and School Age Care employees?

ANSWER. Yes.

QUESTION. Can APF be used to fund fireworks displays provided for a celebration of Independence Day?

ANSWER. No. Fireworks are considered entertainment, and thus may not be paid with APF funds. Further, while a fireworks display may be useful in establishing good relations with surrounding community, it is not a necessary expense, which can be charged to APF funds.

REFERENCE. CompGen Decision B-205292, 2 Jun 82.

QUESTION. Can APF funds be used to support an office "coffee mess"?

ANSWER. No. Unless the purchase is for an authorized mess (station galley), as discussed in NAVSUP Publication 486 and BUPERSINST 1710.13, the purchase of coffee pots, coffee, cups, or other "refreshments" items is generally not a proper charge to APF funds. The GAO has held that serving coffee or other refreshments may be desirable, but cannot be said to be a "necessary" expense as this term is used in the various appropriations acts. Such items are considered personal items which employees are expected to provide at their own expense.

QUESTION. Can my MWR bus driver (for ITT and Single Sailor tour/trips) be an APF position? Can we use APF funding for a service contract for the provision of buses and bus driving services?

ANSWER. Yes

QUESTION. Can I purchase time clocks, time cards, and/or timekeeping systems for use in NAF payroll using APF funds?

ANSWER. No. Time clocks, sheets/cards, and timekeeping systems for NAF employees must be procured with NAF funds. All costs directly related to the sale of merchandise or services and to the internal management (e.g. NAF financial management, NAF personnel, NAF forms, NAF payroll documents and time clocks/sheets) of NAFIs should be financed using nonappropriated funds, regardless of category of activity.

REFERENCE. DON FMPM (Financial Management Policy Manual) formerly NAVCOMPT Manual Vol. 7 paragraph 075520.

QUESTION. Is it appropriate for us to use APF funds to procure business cards or calling cards (professional cards) for employees who frequently deal with private sector businesses and/or government officials?

ANSWER. Yes and No. DODDIR 5500.7-R, Joint Ethics Regulation and DJAG memo 573Ser13/2S122280.97A of 18 Feb 98 contains limited authority to permit the use of Government resources to print business cards. Under section 2-310b, a Department of Defense (DoD) supervisor, who is a commissioned officer or GS-12 or above, may authorize a subordinate to use Government computer equipment for limited personal purposes. Based on that authority, a DOD employee may be permitted to use Government computers, existing software, and off-the-shelf consumables to print business cards. Such use of Government resources must create no significant cost to DOD and be reasonable in frequency and duration. However, before expending APF funds on business cards, local command Ethics Advisor MUST be consulted. Employees should provide business card stock at their own expense.

QUESTION. Can we use appropriated funds to procure Christmas or seasonal decorations?

ANSWER. Comp.Gen.Decisions B-226011, B226900 of 17 November 1987 has reversed its long-standing prohibition against using APF for seasonal and Christmas decorations. This new ruling allows the various agencies the option of using APF for various seasonal decorations, including poinsettias, menorah candelabra and Christmas trees. Although the Comptroller General allows the various Departments the authority to authorize such expenditures, it is up to the individual agencies to make the determination on whether to allow the incidence of such expenses. Each Service may implement this authority, limit it in scope, or choose not to implement this authority based upon other funding priorities.

QUESTION. Can we use APF funds to procure decorations, candy, balloons, disc jockey music, pony rides, magic shows, craft making materials, etc., in conjunction with a youth program?

ANSWER. Yes and No. APF funds can be used to procure program supplies and equipment such as craft materials, videos, CDs, game cartridges, games, stereos, TVs, papers,

etc. Such services (personal services contracts) as magicians, disc jockeys, pony rides, petting zoos clowns, and the making of snow are considered entertainment-type expenses and are prohibited from being funded using APFs.

QUESTION. Can APF/NAF funds be used in recycling if MWR is managing the program?

ANSWER. Recycling is not an MWR program. MWR funds may not be used to subsidize recycling operations.